

EXHIBIT 5

Citi Memorandum to Board Attaching Updated Power and Utilities M&A Fee Precedents

To: FOMB / Natalie Jaresko

From: Citi / John Gavin

Re: Citi Advisory Engagement re: PREPA Transformation

Date: November 9, 2020

On February 13, 2018, per the amendment of the original engagement letter, Citi was retained to act as lead financial advisor in connection with the restructuring and privatization process of PREPA. In the context of this assignment, Citi has committed significant time and resources represented (in summary) by the following:

- 33+ months since start of engagement
- 85+ roundtrips between New York and San Juan
- ~10,000 man hours dedicated to the transformation through November 2020
- 50+ companies proactively contacted by Citi regarding the PREPA T&D RFP
- 10+ relevant stakeholders / advisors along with 20+ PREPA employees provided input and feedback to Confidential Information Memorandum (“CIM”)
- 40+ attendees from proponent teams across 3 management presentations held in Puerto Rico
- 16 days dedicated for site visits / in-person diligence meetings held in Puerto Rico hosted for proponents
- 675 responses to diligence questions submitted by proponents
- ~18,000 documents provided to proponents via data room
- 21+ technical / financial diligence calls facilitated between proponents and PREPA and its advisors
- 25+ contract discussion meetings / calls held with proponents
- 50+ briefing presentations / analyses produced by Citi for FOMB and other stakeholders
- ~15 process documents, contracts and whitepapers reviewed, commented and negotiated by Citi
- 5 parties submitted qualifications, 2 parties submitted proposals and 1 preferred proponent selected – all actively engaged by Citi throughout process

Over the course of the engagement, Citi has been critical in all aspects of the process, covering a wide range of responsibilities:

Interactions with Stakeholders and Participants

- Provided process status updates and various briefings to keep FOMB apprised of relevant details
- Coordinated constantly across FOMB / Puerto Rico Government principals and advisors
- Met and engaged with wide range of Puerto Rico, federal and industry stakeholders, providing process updates and feedback
- Reached out to a host of companies capable of executing transformation objectives
- Participated in numerous meetings with various stakeholders including U.S. Treasury (including Secretary Mnuchin), FEMA, DOE, NYPA and LIPA
- Served as one of four FOMB / Puerto Rico Government witnesses in the approval process for PREPA’s RSA, providing multiple declarations and being deposed by creditors

Transaction Structuring

- Solicited market feedback through market sounding exercise on merits and key concerns of a PREPA privatization for both T&D and generation
- Evaluated T&D transaction structures – “Concession” vs. O&M – reflecting feedback from potential market participants and RSA considerations
- Reviewed and summarized LIPA precedent for application to PREPA context with particular focus on responsibilities, governance and oversight

Transaction Documentation / P3 Process

- Drafted Request for Qualification (“RFQ”) materials, specifically positioning the opportunity and formulating threshold criteria for potential proponents, balancing desire for robust process and ensuring high-quality market participants
- Evaluated RFQ responses, focusing on financial and operational qualifications of proponents
- Drafted Request for Proposal (“RFP”) materials, formulating criteria used to evaluate submissions and relative weighting
- Evaluated RFP responses, focusing on financial aspects; highlighted key points of proposal details and negotiated down several financial terms, reducing rate
- impact to Puerto Rico
- Drafted sections of O&M agreement, reviewed and commented on broader O&M agreement, providing necessary industry and market context to broader advisory team
- Reviewed and evaluated all proponent contract comments and advocated for incorporation, where appropriate, to improve probability of execution

Due Diligence

- Drafted CIM and constructed financial model, actively working with PREPA and its advisors to accurately describe business / opportunity
- Reviewed white papers authored by other advisors and provided to proponents
- Prepared and conducted Management Presentations held in Puerto Rico; conducted dry runs with PREPA management presenters and provided feedback to improve impact
- Facilitated site visits across Puerto Rico and in-person diligence meetings between proponents and PREPA / other key stakeholders
- Facilitated diligence calls between proponents and PREPA on range of topics
- Organized Q&A process to address proponent diligence questions

Please find enclosed two exhibits for reference. Exhibit 1 has an overview timeline of multiple aspects of the PREPA T&D transformation, within each Citi played a critical role. Exhibit 2 details precedent M&A fees for transactions in the Power & Utilities sector.

The Citi team is available at your convenience to continue discussion, as warranted.

RFP / Proposal Milestones

- **January 25, 2019:** P3A shared non-disclosure agreement with bidders
- **February 1, 2019:** CIM finalized and RFP/Term Sheet finalized and approved by Partnership Committee for release to proponents
- **February 15, 2019:** Power Advocate platform online and Q&A process underway
- **October 15, 2019:** Bidders held meeting with PREB to discuss PREB-related matters
- **December 6, 2019:** Bidder A presented proposals to the Partnership Committee in New York City
- **December 6, 2019:** Bidder B presented proposals to the Partnership Committee in New York City
- **December 12, 2019:** Bidder A submitted a letter modifying and clarifying elements of its definitive proposal
- **December 14, 2019:** Bidder B submitted a letter modifying and clarifying elements of its definitive proposal
- **January 11, 2020:** The Partnership Committee selected Bidder A as the preferred proponent and sent notification letters to both bidders
- **January 15, 2020:** P3A and advisors met with Bidder A in New York to discuss final comments; an updated O&M Agreement was submitted to the Partnership Committee

Meetings in Puerto Rico

- **April 3, 2019:** Bidder B participated in PREPA management presentations
- **April 4, 2019:** O&M term sheet discussed with Bidder B; Bidder B participated in site visits
- **April 8, 2019:** Bidder C participated in PREPA management presentations
- **April 9, 2019:** Bidder C participated in site visits
- **April 9, 2019:** Bidder A participated in management presentations
- **April 10, 2019:** Bidder A participated in site visits
- **June 10, 2019:** Bidder A participated in site visits and management meetings held covering operational, financial, and regulatory topics
- **June 11, 2019:** Bidder A team members participated in site visits and management meetings held covering operational, financial, and regulatory topics
- **June 12, 2019:** Bidder A team members participated in site visits and management meetings held covering operational, financial, and regulatory topics
- **June 12, 2019:** Bidder B participated in site visits and management meetings held covering operational, financial, and regulatory topics
- **August 8, 2019:** PREPA Legal Risk Management Offices and T&D warehouses hosted site visits from Bidder A risk and insurance teams
- **August 9, 2019:** PREPA Emergency Dispatch and Fleet Management Offices hosted site visits from Bidder A risk and insurance teams
- **October 29, 2019:** Bidder B participated in site visits to call center, control room, and San Juan Power Plant

Contract Discussions

- **February 26, 2019:** Term Sheet meeting held with Bidder B
- **February 27, 2019:** Term Sheet meeting held with Bidder A
- **March 4, 2019:** Term Sheet meeting held with Bidder C
- **March 14, 2019:** Initial draft O&M Term Sheet shared with Bidder B, Bidder A, and Bidder C
- **June 25, 2019:** Meeting held with Bidder A to discuss comments on O&M contract
- **July 9, 2019:** Meeting held with Bidder B to discuss comments on O&M contract
- **September 23, 2019:** Conference call held with Bidder A to discuss revised O&M contract
- **September 30, 2019:** Conference call held with Bidder B to discuss revised O&M contract
- **October 7, 2019:** Conference call held with Bidder B to discuss critical issues raised in markup of revised O&M contract
- **October 10, 2019:** Meetings held with Bidders to discuss bidder markup of the O&M contract
- **November 11, 2019:** Conference call held with Bidder B to discuss revised O&M contract
- **December 3-4, 2019:** Meetings with bidders held to discuss questions and comments regarding the revised O&M contract
- **December 11, 2019:** Meeting held between P3A and Bidder A to discuss final markup of O&M agreement
- **December 19, 2019:** P3A and the FOMB submitted follow up questions to proponents
- **December 20, 2019:** Bidder A and Bidder B submitted responses to follow up questions
- **December 24, 2019:** P3A submitted additional follow up questions to Bidder A
- **December 26, 2019:** Bidder A submitted responses to additional follow up questions
- **January 15, 2020:** In person discussion in New York
- **January 30, 2020:** Title III discussion with Bidder A
- **February 13, 2020:** Bidder A contract clarification discussion
- **March 12, 2020:** Bidder A contract negotiations

Diligence Calls

- **March 18, 2019:** Financial model review with Bidder C
- **June 12, 2019:** Financial due diligence sessions held with Bidder A
- **June 13, 2019:** Financial due diligence sessions held with Bidder B
- **September 5, 2019:** Due diligence call held with Bidder A to discuss generation matters and demarcation work performed to date
- **September 5, 2019:** Due diligence call held with Bidder B to discuss generation matters and demarcation work performed to date
- **September 12, 2019:** Federal funding due diligence meetings held with bidders
- **October 10, 2019:** Discussion held with Bidder A to discuss generation demarcation
- **October 10, 2019:** Discussion held with Bidder B to discuss generation demarcation
- **October 10, 2019:** Conference call held with Bidder B to discuss questions regarding the 10-year Reliability Capex plan
- **October 10, 2019:** Conference call held with Bidder A to discuss questions regarding the 10-year Reliability Capex plan
- **October 14, 2019:** Conference calls held with Bidder B to discuss labor matters Title III CBAs
- **October 14, 2019:** Conference calls held with Bidder A to discuss labor matters Title III CBAs

Ann. Date	Target	Acquirer	Buyside			Sellside		
			Deal Value (\$M)	Total Fee (\$M)	% of Value	Deal Value (\$M)	Total Fee (\$M)	% of Value
06/03/19	El Paso Electric Co	Infrastructure Investments Fund				\$5,866	\$25.7	0.44%
10/18/18	InfraREIT	Oncor Electric Delivery Company				1,275	13.8	1.08
04/23/18	Vectren Corp	CenterPoint Energy Inc				8,089	32.3	0.40
01/03/18	SCANA Corp	Dominion Energy Inc				14,220	41.0	0.29
10/30/17	Dynegy Inc	Vistra Energy Corp	10,223	19.0	0.19	10,223	39.0	0.38
08/18/17	Calpine Corp	Calpine Corp SPV				15,650	21.6	0.14
07/19/17	Avista Corp	Hydro One Ltd				5,263	28.0	0.53
03/07/17	TerraForm Global Inc	Brookfield Asset Mgmt Inc				1,094	21.1	1.93
03/07/17	TerraForm Power Inc	Brookfield Asset Mgmt Inc				4,057	37.9	0.93
01/25/17	WGL Holdings Inc	AltaGas Ltd				6,584	36.0	0.55
08/01/16	SolarCity Corporation	Tesla Motors Inc	5,270	7.0	0.13	5,270	14.4	0.27
06/03/16	Talen Energy Corp	Riverstone Holdings LLC	5,200	10.0	0.19	5,200	25.0	0.48
05/31/16	Westar Energy Inc	Great Plains Energy Inc	12,154	27.6	0.23	12,154	30.0	0.25
02/09/16	Empire District Electric Co	Liberty Utilities Co				2,369	13.7	0.58
02/09/16	ITC Holdings Corporation	Fortis Inc.				11,305	45.9	0.41
02/01/16	Questar Corporation	Dominion Resources Inc.				6,068	28.7	0.47
10/26/15	Piedmont Natural Gas Co Inc	Duke Energy Corp				6,578	24.0	0.36
09/04/15	TECO Energy Inc	Emera Inc				10,361	34.5	0.33
08/24/15	AGL Resources Inc	Southern Co	11,797	33.0	0.28	11,797	34.5	0.29
07/20/15	Vivint Solar Inc	SunEdison Inc				1,757	17.8	1.01
02/25/15	UIL Holdings Corp	Iberdrola USA Inc				4,666	22.4	0.48
12/03/14	Hawaiian Electric Industries	NextEra Energy Inc	4,375	16.0	0.37	4,375	30.0	0.69
10/20/14	Cleco Corp	Investor Group				4,667	29.0	0.62
06/23/14	Integrus Energy Group Inc	Wisconsin Energy Corp	9,120	22.0	0.24	9,120	18.5	0.20
04/30/14	Pepco Holdings	Exelon Corporation				12,186	28.9	0.24
12/11/13	UNS Energy Corp	Fortis Inc				4,489	16.5	0.37
05/29/13	NV Energy Inc	MidAmerican Energy Holdings Co				10,366	21.0	0.20
07/22/12	GenOn Energy Inc	NRG Energy Inc	4,047	20.0	0.49	4,047	15.0	0.37
02/21/12	CH Energy Group Inc	Cascade Acquisition Sub Inc				1,464	6.2	0.42
12/05/11	Entergy Corp-Elec Transmission	ITC Holdings Corp	5,575	30.0	0.54			
06/20/11	Capital Power Income LP	Atlantic Power Corp	1,964	12.5	0.64			
04/28/11	Constellation Energy Group Inc	Exelon Corp				11,431	43.0	0.38
04/20/11	DPL Inc	AES Corp				4,662	14.9	0.32
12/15/10	Dynegy Inc	Icahn Enterprises LP				2,953	23.0	0.78
12/07/10	Nicor Inc	AGL Resources Inc	2,983	16.0	0.54	2,983	13.0	0.44
10/18/10	NSTAR Inc	Northeast Utilities	6,930	31.7	0.46	6,930	17.0	0.25
08/13/10	Dynegy Inc	Blackstone Group LP				4,953	20.0	0.40
04/11/10	Mirant Corp	RRI Energy Inc	2,082	27.5	1.32	2,082	30.0	1.44
02/11/10	Allegheny Energy Inc	FirstEnergy Corp	8,944	35.0	0.39	8,944	23.0	0.26
10/26/07	Puget Energy Inc	Padua Holdings LLC				6,717	15.0	0.22
06/25/07	Energy East Corp	Iberdrola SA				8,124	17.0	0.21
02/26/07	TXU Corp	TXU Corp SPV				44,372	50.5	0.11
02/07/07	Aquila Inc	Great Plains Energy Inc	2,780	13.0	0.47			
09/15/06	LS Power Group	Dynegy Inc	2,333	32.0	1.37			
04/25/06	NorthWestern Corp	Babcock & Brown Infrastructure				1,972	17.2	0.87
02/27/06	KeySpan Corp	National Grid PLC				11,872	30.4	0.26
05/09/05	Cinergy Corp	Duke Energy Corp				14,138	24.0	0.17
12/20/04	Public Svc Enterprise Grp Inc	Exelon Corp	27,357	30.0	0.11	27,357	20.0	0.07
Mean			\$7,243	\$22.5	0.47%	\$8,183	\$25.2	0.47%
Median			5,270	22.0	0.39	6,323	23.5	0.38

Source: Publicly available SEC filings.

Note: Analysis based on deals with transaction values of \$1 billion+ since 2004. Excludes deals where only fee available is for a fairness opinion assignment. Fees displayed may reflect multiple advisors.